

Illinois Commerce Commission Initiative on Plug-In Electric Vehicles

Report and Recommendations March, 2012

Executive Summary

Background

The Illinois Commerce Commission Initiative on Plug-In Electric Vehicles (Initiative) was formed in September, 2010 to ensure that the Commission is proactive in assessing the potential impacts of plug-in electric vehicles (PEVs) on the State's electric system and to help guide the Commission in understanding and beginning to consider future regulatory issues necessary to accommodate this new mode of transportation.

To begin the process, the Commission requested that Ameren, ComEd, and MidAmerican prepare Initial Assessments of PEV-related issues. The Commission then invited stakeholders to provide comments on those Assessments and held a Policy Committee meeting for stakeholders to discuss their views with the Commission. In the summer of 2011 the Commission asked the utilities and stakeholders to provide comments on an additional set of questions, and held a follow-up Policy Committee meeting.¹

The input the Commission received from the Assessments, comments, and Policy Committee meetings led to the formation of five stakeholder-led Workshops in the fall of 2011. The specific work done by the Workshops is outlined in the body of this report. Workshop #1 focused its efforts on the Commission's Integrated Distribution Company (IDC) rules; Workshop #2 collaborated to discuss the best customer education and outreach plans for PEV purchasers; Workshop #3 was dedicated to assessing potential reliability impacts of PEV usage; Workshop #4 studied the best rate options for PEV users; and Workshop #5 explored the legal status of public charging stations. The Commission asked Workshop participants to address several specific areas that the Commission noted required further exploration. Among those focus areas were the following: the legal status of public charging stations, electric rate options, reliability impacts, education, and the potential need for revisions to the rules governing the utility marketing of PEV-related programs. Those Workshops reached a variety of conclusions that largely reaffirmed existing policies and practices in Illinois. Based on this collaborative process the Workshop participants also offered several specific recommendations to the Commission on these issues.

¹ The Initial Assessments, comments, Policy Committee transcripts, and other documents of the Initiative can be located at: www.icc.illinois.gov/Electricity/PEV.aspx.

Workshop Recommendations

All five Workshops provided the Commission with reports which are attached as appendices to this report. However, there were three main recommendations that the Commission had to consider. Those three recommendations came from Workshops 2 and 5. The Commission has considered and adopts the following ICC Workshop recommendations:

- 1. Workshop #2 (Education/Customer Outreach):** The Commission should continue its active participation in the Electric Vehicle Advisory Council.

The Commission plans to continue to participate in the Electric Vehicle Advisory Council.

- 2. Workshop #2 (Education/Customer Outreach):** Consumer education and interest will be positively impacted by a reference to PEVs on the Commission's Plug In Illinois Website.

The Commission's Office of Retail Market Development maintains the Plug In Illinois website that provides information about retail supply options for residential customers and it is planning to incorporate information relevant to PEV owners. The Commission deems this recommendation to have merit and approves its inclusion on the ICC website. The Commission is convinced that such timely information will further the knowledge base of Illinois consumers regarding the status of PEVs in our state.

- 3. Workshop #5 (Legal Status of Public Charging Stations):** The Commission [should] coordinate with the Illinois Electric Vehicle Advisory Council to explore recommending new state legislation, promoting uniformity of policies and laws assuring the continued development of an accessible and convenient Electric Vehicle Equipment and Service Provider charging network throughout Illinois supported by open and competitive markets.

The Commission will review and consider support for legislation that clarifies the legal status of public charging stations. However, support is dependent on the specific provisions and requirements of any such proposal. While the Commission will coordinate where appropriate with the EVAC, as an independent State agency the Commission has its own legislative review process.

PEV Charging Rates

Many other States have focused their PEV policy efforts on the introduction of special time-variant rates for PEV owners that are intended to facilitate off-peak charging. The Rates Workshop reaffirmed that customers of ComEd and Ameren already have a real-time pricing option that serves this role and that MidAmerican offers a time-of-use rate.

There is also evidence from other States that Alternative Retail Electric Suppliers (ARES or RES) will offer time-variant rates as smart meters become available. The combination of existing utility-offered rates, and the rapidly growing competitive retail market for electricity, places Illinois in a strong position in terms of providing the correct price signals to PEV owners for their vehicle charging needs.

Electric Vehicle Advisory Council

After the commencement of the Initiative, Public Act 97-0089 was enacted that established the Electric Vehicle Advisory Council (EVAC). The Executive Director of the ICC was designated as one of the members of the Council. The EVAC issued a report with recommendations to the Governor and General Assembly in December, 2011. Several recommendations involve the ICC and are discussed in this report.

Conclusion

The PEV Initiative has largely reaffirmed that many existing policies in Illinois are well suited for the introduction of PEVs, and that the regulatory issues that need to be addressed are either narrowly focused, or longer term in nature.

The Commission appreciates all the hard work that stakeholders have put into participating in the various phases of the Initiative. Their efforts have provided the Commission with valuable information and a clear path on which to proceed. The Initiative will periodically reconvene to explore emerging and developing PEV policy issues germane to the Commission's regulatory authority.